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**FEDERAL COMMUNICATIONS COMMISSION
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**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554**

In the Matter of

IMPROVING COMMISSION PROCESSES

)
)
) **PP Docket No. 96-17**

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**COMMENTS OF SBC COMMUNICATIONS INC. ON BEHALF OF
SOUTHWESTERN BELL TELEPHONE COMPANY AND
SOUTHWESTERN BELL MOBILE SYSTEMS**

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March 15, 1996

COMMENTS OF SBC COMMUNICATIONS INC.

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'In the Matter of Improving Commission Processes, Notice of Inquiry, PP Docket No. 96-17 (released February 14, 1996); ¶ 1.

II. THE TELECOMMUNICATIONS ACT OF 1996

The Telecommunications Act of 1996 will greatly reduce, and in some cases eliminate altogether, regulation of the telecommunications industry. In addition, the Commission is permitted to forbear from enforcing those regulations which remain. The Commission's regulatory role will, therefore, be greatly reduced. In the short term, however, while the transition to the new Act takes place, the Commission can take several actions to reduce the regulatory burden.

III. IMPROVEMENT OF CURRENT CONDITIONS

A. Inordinant Delays

To be successful in reducing existing regulatory burdens, the Commission must establish and adhere to deadlines for concluding its dockets, and reviewing tariff filings and Part 69 waiver requests.

For example, SWBT's 800 Data Base tariff has been under investigation since April 28, 1993. The 1993 and 1994 Annual Access Tariff filings are still under investigation, as well as the Physical and Virtual Expanded Interconnection tariff filings. Other filings, requiring a 45 day notice period, often do not make the requested effective date because of deferrals. The wait for a Part 69 waiver request has been as much as a year or longer, and even after the Commission approves the waiver, it may be months before the associated tariff is allowed to go into effect.

These delays are detrimental to both SWBT and its customers. For rates under investigation, SWBT must maintain a detailed accounting of all earnings, costs, and returns,

a process both burdensome and time consuming. For example, SWBT has been tracking 800 Data Base earnings for three years and still does not know if its rates will be allowed to remain in effect. Tariff delays are even more detrimental. Customers demand specialized services immediately and are unwilling to wait while tariffs are deferred to learn if their request for service will be approved. In many cases, SWBT misses the window of opportunity for the customer's business. SWBT's competitors, able to provide services and products to customers via a one day tariff filing, are the obvious beneficiaries.

These regulatory burdens can be reduced prior to implementation of The Telecommunications Act of 1996 without changes to existing rules. The Commission today can review a filing, consider the opposition, make a decision within 45 days, and be in full compliance with the Rules. SWBT's competitors provide services in one day. SWBT should, at the very least, be able to provide its services within 45 days.

B. Confidential Cost Data

Recently, because of increasing competition, SWBT's tariff filings for new services have requested confidential treatment of SWBT's cost data under the Freedom of Information Act. Each tariff filing is supported with a showing of the competition for the service. The process the Commission has undertaken has been slow and inefficient for SWBT, the customers, and vendors. However, if SWBT's competitors have unrestricted access to SWBT's cost support, they can easily price a service or product to sell beneath SWBT's price floor and file a tariff on a one day's notice.

Although the Tariff Division has recently allowed several SWBT filings to take effect with little or no delay, the Division had to waive Sections 0.453(j) and 0.455(b)(11)

of the rules to allow SWBT's cost data to remain confidential. Because competition for all services is now required by law, a carrier's cost data should be presumed confidential. Carriers should not have to request confidential treatment with each tariff filing, and the Commission should not have to waste valuable resources addressing each request. For example, when SWBT makes a tariff filing, the cost data should be redacted from the public version and disclosed only to the Commission staff. A party challenging such confidentiality should bear the burden of filing an affirmative pleading. Even when a challenge to confidentiality is filed, unless the Commission specifically requests a response from SWBT, the filing should automatically take effect and the cost data should remain confidential.

Such a procedure would greatly streamline tariff filings, and allow SWBT to respond in a responsible manner to the market needs of its customers. It would also improve the speed and quality of Commission service to the public.

IV. PART 36 SEPARATION RULES SHOULD BE WAIVED TO ELIMINATE THE SEPARATE IDENTIFICATION AND ALLOCATION OF EQUAL ACCESS COSTS.

In July, 1985, the Federal-State Joint Board recommended rules for the separations treatment of equal access "EA" costs. These rules were subsequently adopted by the Commission. In November, 1986, the Commission affirmed that the 8-year amortization of EA expenses would end December 31, 1993. In February, 1989, the Commission established Part 69 rules for an optional EA cost and rate element that would be eliminated January 1, 1994. Because there was no provision to amend the separations treatment of EA with the end of the 8-year amortization, the requirement still exists. There

is now no reason to continue the current separations treatment of EA. The Commission should no longer require BOCs to separately identify and allocate equal access costs.

V. THE COMMISSION SHOULD ADOPT ELECTRONIC FILING STANDARDS WHENEVER POSSIBLE.

The Common Carrier Bureau should aggressively pursue computer technology to improve its processing. Internet access can be improved to allow interested parties to retrieve most Commission documents electronically and reduce the volume of paper generated.

The Common Carrier Bureau should establish a way to search its web site based on key word or other search criteria. Many other Internet sites already offer users the ability to enter search terms to speed document retrieval. Searches could also be limited to type of document (Orders, Notices of Proposed Rulemaking, reports, etc.) to improve performance.

The Commission should improve the timeliness of the information contained on the Common Carrier Bureau web site. Users want to access information immediately upon action by the Commission. Users do not want to wait until days later to view the information electronically. Particularly in this era of legislatively mandated and Commission prescribed deadlines, efficient access to information is at a premium.

The Commission should require parties to file comments electronically, and such information should be accessible to other parties via the Internet or bulletin board process. All parties (local exchange carriers "LECs," interexchange carriers "IXCs,"

competitive access providers "CAPs" and special interest groups) should have the ability to submit electronic filings to the FCC, either in the form of a diskette or an electronic bulletin board posting. Even individuals not associated with an organization would likely have access to a personal computer which could create a diskette or send an electronic mail message to be filed with the FCC.

In addition, individuals preparing comments and/or replies to Commission proceedings would greatly benefit from an electronic archive search process. The ability to search the historical archive would benefit both the Commission staff and the public.

The FCC has already issued a public notice on March 7, 1994, soliciting comments on the establishment of an advisory committee to assist the Common Carrier Bureau in the development of an electronic filing system. Comments received in that docket were very supportive of standardizing and employing electronic filing methods. If the FCC does not receive substantive comments on this particular issue, SWBT suggests forming a small ad hoc committee with one representative from each major industry segment (i.e., LECs, IXC's, CAPs) to further recommend ideas and solutions.

VI. MELLON BANK SHOULD ALLOW MORE FLEXIBILITY FOR PAYMENT OF FILINGS FEES.

Currently, SWBT is allowed to pay its filing fees by check, credit card, or electronic transmission. None of these methods satisfies SWBT's need to pay the fees the day of the filing. SWBT's Marketing organization, located in St. Louis, is responsible for filing tariffs with the FCC. Tariff filings must be filed with the FCC in Washington, D.C.,

but the filing fees must be sent to the Mellon Bank in Pennsylvania. Today, the actual tariff filing package is sent overnight by Courier to SWBT's Washington office for delivery to the FCC. SWBT's payment (check) is also sent overnight by Courier for delivery to the Mellon Bank. FCC Form 159 is attached to the check, the same as if credit card payment were used.

A document released by the FCC on May 18, 1994, titled "Federal Communications Commission, Customer Initiated Payments," page 1, indicates that electronic transmission of the payment must take place the day before the payment is due, even though the payment is not due until the day the filing is made with the FCC. This has caused problems for SWBT. In one instance, SWBT decided on the day of a planned filing that the filing should not be made that day; and, in another instance, Courier delivery problems to Washington were encountered. Because the FCC does not automatically refund the payment, SWBT must request a refund from the FCC. This is an administrative activity that should be avoided.

SWBT's preferred method of payment would be credit card. SWBT proposes, as it did during previous discussions with the FCC staff and members of the Mellon Bank, that the FCC and the Mellon Bank allow credit card payment by phone the day the payment is due.

VII. THE COMMISSION SHOULD FORBEAR OR GREATLY SIMPLIFY THE REGULATION OF DEPRECIATION.

Section 403(d) of The Telecommunications Act of 1996 , deals with the regulation of depreciation and modifies the first sentence of Section 220(b) of the Communications Act (47 U.S.C. Section 220(b)) by striking “shall prescribe for such carriers” and inserting “may prescribe, for such carriers as it determines to be appropriate.” Section 403 of the new Act, therefore, no longer requires the FCC to determine depreciation rates, but rather gives the Commission the option of eliminating the regulation of depreciation entirely; the Commission should take this opportunity to do so.

Section 401 of The Telecommunications Act of 1996 in part allows the Commission to forbear from regulation. This section also would justify the elimination of depreciation regulation.

If the Commission elects to continue to oversee the depreciation process, the Commission should replace the Basic Factor Range Option “BFRO”² with the Price Cap Carrier Option “PCCO.”³ This in essence would establish a forbearance policy on depreciation rates, because the price cap option allows exchange carriers the flexibility to establish rates. This would be reasonable, because many LECs have elected the “no-sharing option” in which depreciation rates and costs have no impact on customer rates.

² Report and Order, CC Docket No. 92-296, released October 20, 1993, page 2.

³ Id. at 2.

In addition, the Commission should eliminate the Digital Data Systems "DDS" depreciation rate category and associated range.⁴ This would further simplify the existing process by eliminating an entire rate category.

If the Commission adopts these suggestions, LECs can eliminate or significantly reduce the paper associated with filing annual theoretical reserves studies and triennial depreciation rate studies. In addition, the Commission could allow parties to file electronically triennial studies, ex parte filings, comments and replies. This would eliminate volumes of study data (on paper) distributed not only to the FCC, but also to various state commissions. Electronic filing would also allow any interested party access to the data.

VIII. PART 32 ACCOUNTING RULES SHOULD BE MODIFIED TO ELIMINATE BURDENSOME ACCOUNTING REQUIREMENTS.

Under the current price cap plan, price cap LECs have the ability to choose a productivity factor which has a "no-sharing" option. In this environment, when rate of return is no longer an issue, the level of expenses and net investment are irrelevant, and accounting decisions which affect expense and investment do not harm the ratepayer. Therefore, there is no need for many of the outdated and burdensome accounting requirements and depreciation rules detailed in the Commission's Part 32 rules.

For several years, for example, LECs have requested raising the expense limit on support assets from the current level of \$500 to \$2,000. Volumes of redundant supporting

⁴Second Report and Order, CC Docket No. 92-296, released June 28, 1994, Appendix B, page 13.

documentation, comments and other information have been filed with the FCC on numerous occasions, yet no decision has been made.

More recently, LECs have requested Vintage Amortization Life "VAL" accounting for support assets, which would eliminate the tedious and cumbersome, item-by-item recordkeeping for certain asset categories.

The FCC can immediately forbear from regulating these two areas. Telecommunications providers should be allowed to make these types of accounting decisions based upon sound business practices, without FCC intervention.

Another example of burdensome and unnecessary rules involves the Part 32 requirement for LECs to submit for review any recording in the books of accounts of extraordinary items, prior period adjustments or contingent liabilities greater than one million dollars. Such a requirement is unnecessarily conservative. A company should be allowed to report such charges as needed.

A final example of burdensome and confusing rules pertains to materiality under Part 32 accounting. Section 32.26 states:

Companies shall follow this system of accounts in recording all financial and statistical data irrespective of an individual item's materiality under GAAP, unless a waiver has been granted under the provisions of Section 32.18 of this subpart to do otherwise.

However, when attempting to clarify this rule in Responsible Accounting Officer Letter 7, question 3, the Commission stated:

In CC Docket 84-469, and again in the Reconsideration Order in Docket 78-196, the Commission reserved the right to make its own determination of materiality and declined to accept the

GAAP criteria or establish a generally applicable standard of its own. Since there is a substantial difference between reserving the right to make a judgment and exercising it in every case, neither order should be read as eliminating all management prerogatives. Both orders presume the use of reasonable judgment by management which would be defensible in relation to regulatory sensitivities, but reserve the Commission's regulatory right to reach a different conclusion.

LECs are thus left with a statement that says all transactions are material, unless the LECs' judgment that a transaction is not material fortuitously corresponds with the Commission's identical judgment. SWBT urges the Commission to adopt GAAP criteria in its accounting rules and thus streamline the entire regulatory accounting process.

IX. THE COMMISSION SHOULD ELIMINATE SECTION 214 FILING REQUIREMENTS.

In recognition of the exemption from Section 214 requirements in Section 402 of The Telecommunications Act of 1996, the Commission should eliminate entirely the Section 214 filing and processing requirements. By recently dismissing a number of pending Section 214 applications as moot, the Commission has already recognized the new law's elimination of Section 214 applications for delivery of video programming.⁵ The Commission should do the same for all other types of Section 214 applications previously required of common carriers. The elimination of these unnecessary procedures will provide one of the immediate forms of regulatory relief contemplated by the new law, while conserving the Commission's resources for more important tasks.

⁵ Order, DA 96-200 (released February 16, 1996).

X. THE COMMISSION SHOULD ELIMINATE COMPARABLY EFFICIENT INTERCONNECTION (CEI) PLAN FILING REQUIREMENTS.

At present, all Bell Operating Companies "BOCs" are required to obtain prior Commission approval of service-specific Comparably Efficient Interconnection "CEI" plans before offering an enhanced service on an integrated basis.⁶ Even if the enhanced service is deployed on a non-integrated basis, if the BOC joint markets such a service for its separate affiliate, it still is obligated to file and obtain approval of a service-specific CEI plan prior to deploying such service. Because of this requirement, deployment of new network functions and service offerings is being delayed. Therefore, the FCC should issue an expedited order in CC Docket No. 95-20 (In the Matter of Computer II Remand Proceedings: Bell Operating Company Provision of Enhanced Services) permitting BOCs to continue providing enhanced services on an integrated basis without CEI plan requirements. This would permit the BOCs to bring new products and services to market without regulatory delay.

XI. THE COMMISSION SHOULD ELIMINATE OR GREATLY STREAMLINE THE FILING OF REPORTS.

Currently, the Commission requires all BOCs to file a large number of reports, many of which are impractical and irrelevant. To ease the regulatory burden, the Commission should eliminate the filing of the following reports.

⁶See Memorandum Opinion and Order, released January 11, 1995, In the Matter of Bell Operating Companies' Joint Petition for Waiver of Computer II Rules (DA 95-36).

A. Cost Allocation Manuals "CAM" Procedures

Section 402 of The Telecommunications Act of 1996 states in part that the "Commission shall permit any common carrier . . . to file cost allocations manuals . . . annually, to the extent such carrier is required to file such manuals" Requiring LECs to file revisions to their CAMs more frequently obviously is contrary to the new legislation, which permits any and all CAM revisions to be combined in a single, annual filing. The Commission should eliminate the quarterly CAM filings and any other CAM filings required under current procedures, including Section 64.903 of the FCC Rules. Instead, a carrier should update its CAM once per year, effective December 31, reporting all calendar year changes. CAM changes that previously have been subject to review pursuant to Section 64.903 should be reviewed in connection with the normal CAM reviews and external audits. Normally, such changes have not been questioned at the time of filing, but rather have been examined as part of the independent audit. Aside from bringing CAM procedures in line with the new law, eliminating cumbersome filings would allow faster changes in a rapidly evolving telecommunications environment.

The FCC also requires the BOCs to have an annual CAM audit conducted by an independent auditor. Moreover, the Commission upgraded this audit from "attest" to "fairly presents," the latter requiring additional audit steps. This more stringent level of independent audit makes separate FCC CAM audits unnecessary. The FCC CAM audits should be eliminated.

B. ARMIS Reports

The Commission should eliminate the ARMIS Reports 495A, Forecast of Investment Usage, and 495B, Actual Usage of Investment. These reports are prepared and filed annually to report usage of common network investment (outside plant "OSP" and central office equipment "COE") and to forecast usage (regulated and nonregulated) for the next three years. Since the first reports were filed in 1988, SWBT has received no questions or comments. In addition, the filing of the reports is redundant, because the allocation is used and reviewed within the CAM process.

The Commission should also eliminate the waiver filing (included in the 495A and 495B process) required to reallocate COE and OSP common equipment to other services, when a nonregulated service is eliminated and the equipment is redeployed for use by other services. The reallocation will be reviewed with CAM allocation reviews.

ARMIS 43-01 is currently a quarterly report. SWBT recommends that ARMIS 43-01 be required on an annual basis only. This would be consistent with The Telecommunications Act of 1996, which permits carriers to file ARMIS reports annually. Also, to the extent that the ARMIS 43-01 is retained as an annual report, lines 1910 through 1935 should be eliminated entirely.⁷ Additionally, the ARMIS reports in general should be reviewed for possible elimination of entire reports or at least elimination of rows and/or columns on selected reports. For example, the ARMIS 43-03 columns entitled "Direct,

⁷ Actually, these calculations cannot even be used to calculate sharing because of differences between the ARMIS 43-01 and the Form 492a.

Indirect and Generally Allocated,” with corresponding columns under each for “regulated” vs. “nonregulated” (columns c through h), are meaningless for the industry. Column (i) for “Total Regulated,” and Column (j) “Total Nonregulated” are adequate.

The requirement to file FCC Form 492a, Price Cap Regulation Rate of Return Monitoring Report (used to calculate sharing) should also be eliminated upon adoption of a permanent price cap plan without earnings sharing. The Commission should also examine the need to reduce or eliminate other reporting requirements.⁸

C. Local Transport Restructure Quarterly Report

SWBT currently provides quarterly Local Transport Restructure tracking reports to the FCC, containing percentage changes by carrier groups (large, medium and small) on revenues, minutes, facilities and changes in direct routing. Service order completion and timeline information is also provided.

These quarterly reports, which SWBT has provided during 1994 and 1995, should be discontinued. Local Transport Restructure became effective January 1, 1994. As time passes, the tracking of a carrier group’s revenues and usage will not accurately reflect the effects of this restructure. The intended purpose of the reports (to track a carrier group’s revenue impact from “equal charge” to transport restructure) is no longer valid. Current reporting only compares restructured transport at two different points in time. In addition, carriers are continuing to redesign their networks to become more efficient. For these

⁸The FCC Reports ARMIS 43-05, 43-06, 43-07, regarding service quality reporting and infrastructure monitoring, have outlived their usefulness and should be eliminated. The Commission has found that the introduction of price cap regulation has had no adverse impact on service quality or infrastructure. The price cap LECs should thus be relieved of these reporting requirements.

reasons, the local transport restructure tracking reports and the industry roll-up of these reports should be discontinued.

D. Fiber Deployment Reports

The Commission should eliminate the Industry Analysis Division's annual survey of fiber deployment. SWBT already files the Annual Infrastructure Report, the ARMIS 43-07, which includes extensive information about transmission facilities, including fiber data. The elimination of this report would be consistent with the Commission's desire to "reduce regulatory burdens." In addition, elimination of this report is consistent with The Telecommunications Act of 1996, which establishes rules and guidelines "for a pro-competitive, de-regulatory national policy."

E. Open Network Architecture "ONA" Reports

1. Semi-annual reports

Currently, the Commission requires that, every six months, each BOC should:

(1) work through the Information Industry Liaison Committee "IILC" to develop one consolidated nationwide matrix of BOC ONA services and state and federal ONA tariffs, to be filed with the Commission; (2) file computer diskettes and printouts of data concerning state and federal tariffs; (3) file a printed copy and computer diskette of the ONA Services User Guide; (4) file updated information contained in Appendix A of the January 31, 1991, Cross Reference Guide on Enhanced Service Provider "ESP" requests received and how they were addressed by the BOCs; (5) file updated information contained in Appendix B of the January 31, 1991, Cross Reference Guide on BOC responses to the requests.

SWBT recommends that the Commission eliminate the filing of all paper documents relating to the ONA Services User Guide, Appendix A and B of the January 31, 1991, Cross Reference Guide, and the National Tariff Reference Matrix. The ONA Services User Guide could continue to be updated by the Technical Analysis Group "TAG," and could be made available through the IILC and the BOCs. The information currently contained in Appendix A and B of the January 31, 1991, Cross Reference Guide might better be handled through the IILC, if requested by ESPs. The National Tariff Reference Matrix has not served the ESP market well, and SWBT has never received a request for the matrix from any of its ESP customers. The Commission thus should no longer require the generating or updating of the Matrix.

2. Annual Reports

The Commission requires each BOC to report on the following annually:

a. Annual Projected Deployment Schedules for ONA Services.

SWBT must file annual projected deployment schedules for ONA services, by type of ONA service (Basic Serving Arrangement, BSA; Basic Service Element, BSE; and Complementary Network Service, CNS) in terms of percentage of access lines served systemwide and by market area for a consecutive three year period. At present, the majority of existing BSAs, BSEs, and CNSs, are at or near 100 percent. Furthermore, existing BSAs, BSEs and CNSs can be found in the ONA Services User Guide. The April 15, 1996, filing should be the last for this report.

b. ONA Service Requests Previously Deemed Technically Infeasible.

All ONA service requests previously deemed technically infeasible should be reported for the final time on April 15, 1996. SWBT has not received a single specific request for a technically infeasible service.

c. SS7, ISDN and IN Projected Deployment.

Signaling System 7 "SS7" data is reported by TR 317 and TR 394, Integrated Services Digital Network "ISDN" data by Basic Rate Interface "BRI," Primary Rate Interface "PRI," and Intelligent Network "IN" data by release number or other designation by type. SWBT proposes that the IILC determine if equivalent information is available from other reports, such as the annual Infrastructure Report. The IILC could compare and contrast other reports and provide findings to the FCC for review. If this information is available in other reports, the FCC should relieve the BOCs of this reporting requirement .

d. Progress on IILC Efforts to Implement Service-Specific and Long-Term Uniformity.

The progress on IILC efforts to implement service-specific and long-term uniformity can be found in the BOC IILC Closed Issues Report Card which is being made available through the IILC. The report card indicates SWBT's efforts toward the implementation of service specific and long term uniformity. The April 15, 1996, filing of this information should be the last required by the Commission.

e. Progress in Providing Billing Information.

All BOC data regarding Billing Name and Address "BNA," Calling Number Identification "CNI" and call detail services have matured. The IILC has generated six issues regarding these topics: 001, 015, 017, 018, 024 and 041. Any new IILC issue on this

topic, and all future BOC reports submitted to the FCC, will simply be a summary of the same information with minor updates. The Commission should not require this report after the April 15, 1996, filing.

f. Progress in Developing and Implementing OSS Services.

This information has also matured. Several IILC issues (003, 039 and 051) address ESP access to Operations Support Systems "OSS" in very complete detail. An OSS BOC matrix demonstrating currently available, planned and future OSS functionality is provided to the industry through the IILC. The IILC will continue to produce the OSS matrix as long as this document is valuable to the ESPs. The Commission should accept the IILC report as a replacement for the required Commission report.

g. Progress on the Uniform Provision of OSS Services.

Most of this report concerns American National Standards Institute-Telecommunications 1 "ANSI T1" and OSS issue work accomplished in the IILC. This work is national in scope and publicly available. There is no reason for including it in reports to the Commission.

h. List of BSEs Used in the Provision of SWBT Enhanced Services.

SWBT has not discriminated in the provision of any BSEs deployed. All BSEs used by SWBT in the provision of its own enhanced services are made available in accordance with ONA rules. Therefore, the Commission should no longer require this information to be reported annually.

3. Unbundling Related to New Technologies.

The Commission's Memorandum Opinion and Order released March 29, 1993, in CC Docket No. 88-2, Phase I, required the BOCs to "report annually on unbundling of new technologies arising from their own initiative, in response to requests by ESPs, or resulting from requirements imposed by the Commission." Competitive pressures and market demand, however, will now drive the industry. Questions regarding safeguards will be driven by the type and quality of communication services requested. Competition and demand will drive network unbundling faster than any annual report may accurately forecast. Therefore, this annual reporting requirement is now irrelevant and should be dropped.

XII. WIRELESS BUREAU

The Wireless Bureau should be commended for recent efforts to streamline rules and procedures. A prime example is WT Docket 94-148,⁹ combining the rules governing private and common carrier licenses into new Part 101. Consistent with the Commission's incentive for regulatory parity among wireless carriers, a similar effort should be undertaken to combine and streamline the PCS (Part 24) and cellular (Part 22) rules.

Several opportunities also exist for the Wireless Bureau to further improve and streamline the licensing process. Initially, "on-line" access to check the status of common carrier and wireless license applications would result in greater efficiency by eliminating the need to contact FCC personnel directly to check on the status of applications and licenses, freeing staff to perform other tasks. In addition, a publicized, "on-line" directory of services

⁹In the Matter of Reorganization and Revision of Parts 1, 2, 21, and 94 of the Rules to Establish a New Part 101 Governing Terrestrial Microwave Fixed Radio Services, WT Docket 94-148, Order Adopted February 8, 1996.

offered and a listing of any services available would be beneficial and would increase efficiency.

There are several additional steps the Bureau could take to improve efficiency and streamline the licensing process:

1. **Pro Forma Transfer/Assignment** -- Today a transfer or assignment requires separate applications to be filed with the Wireless Bureau and the Microwave Division of the Common Carrier Bureau. Both must be granted before the transfer/assignment is consummated. Further, the definition of "assignment of license" in the Microwave rules does not match the Wireless Bureau definition. For example, an assignment application (Form 490) may be granted by the Wireless Bureau, while the Microwave Division may refuse to process the identical transaction as an "assignment" and require it to be filed as a "transfer of control." Similar definitions of an "assignment of license" and a single form which could be filed with both agencies would increase efficiency and lessen confusion.

2. **FAA Coordination** -- The Bureau can eliminate a major source of frustration in the licensing process by better coordinating its dismissal rules with the processing time required for Federal Aviation Administration "FAA" approval. Wireless carriers must report modifications to the Wireless Bureau within 15 days and pay the respective fees (47 C.F.R. 22.163(E)). If FAA approval for the changes is not received within 60 days, the Wireless Bureau dismisses the filing (Report No. CL-95-72, April 4, 1995, p. 2). Many times, however, FAA processing exceeds 60 days. For example, in the Eastern and New England regions, FAA processing normally exceeds 90-120 days. Thus, the wireless carrier is subject to a process whereby 1) the filing, with accompanying fee, must be made within 15 days, 2)

the filing is likely to be dismissed because of the inability to receive FAA approval within the 60 day period, and thus 3) the filing must then be resubmitted with another fee. The Wireless Bureau should modify its rules to provide that a filing will not be dismissed if the only concern is lack of FAA approval, which has been requested and is currently pending.

3. **Administration of the Licensing Process** -- Electronic filing would greatly increase the efficiency and accuracy of the licensing process. In addition, administration of the licensing process is a prime candidate for privatization. The numerous updates and modifications put an enormous strain on Commission resources. Further, the need for current, up-to-date licensing information is essential to numerous transactions and negotiations (for example, transfers of control, and negotiations between incumbent and newly licensed microwave operators). The Wireless Bureau should explore privatizing the administration of the licensing process.

XIII. CONCLUSION

All of the above suggestions should be adopted if the Commission is to be successful in its efforts to streamline and decrease regulatory burdens for all.

Respectfully submitted,

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